

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

PROMESA  
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

Debtors.<sup>1</sup>

**STATEMENT OF THE MEDIATION TEAM REGARDING MOTION OF  
NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION FOR ENTRY OF  
AN ORDER DIRECTING AN INDEPENDENT INVESTIGATION**

The Mediation Team appointed in the Title III Cases offers the following comments in response to the Court’s *Order Requesting Statement from Mediation Team Regarding Motion of National Public Finance Guarantee Corporation for Entry of an Order Directing an Independent Investigation* [ECF No. 14804] (the “Order”).<sup>2</sup>

From the Mediation Team’s viewpoint, the current dispute initiated by the National Motion<sup>3</sup> is not a dispute about the mediation process ordered by this Court. National’s

<sup>1</sup> The Debtors in these Title III cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566- LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations). The Title III cases commenced by the Commonwealth, COFINA, HTA, ERS, PREPA, and PBA are referred to herein as the “Title III Cases.<sup>3</sup>”

<sup>2</sup> All ECF numbers refer to filings in the Commonwealth’s Title III Case, No. 17 BK 3283-LTS.

<sup>3</sup> Capitalized terms used but not defined in this statement have the meanings ascribed to them in the Order.

allegations predominantly concern the possible mishandling of confidential information provided to certain creditors by the FOMB. Pursuant to this Court's *Order Appointing Mediation Team* [ECF No. 430], the mediation process exists to (i) facilitate confidential settlement negotiations, and (ii) further the goal of the successful, consensual resolution of the Title III Cases and related proceedings. The Mediation Team has worked in service of these goals since its appointment. In keeping with its charge as neutrals, the Mediation Team has not investigated any allegations made in the National Motion and expresses no position.

Dated: October 26, 2020

Respectfully submitted,

/s/ Barbara J. Houser  
Honorable Barbara J. Houser  
United States Bankruptcy Court  
for the Northern District of Texas  
Mediation Team Leader